## Statement of Senator Edward M. Kennedy Democratic Policy Committee Hearing on the Bush Administration's Proposed Changes to Overtime Rules

December 11, 2003

Majorities in both the Senate and the House agree that the Bush Administration was wrong to deny overtime protections to more than 8 million hard-working men and women, and we intend to do all we can to see that the final omnibus appropriations bill includes those protections.

The last thing American workers need in today's troubled economy is a pay cut. We know the many challenges facing us:

- 13 million children going hungry every day.
- 9 million Americans are unemployed, and no jobs in sight.
- 7 million minimum wage workers, waiting since 1997 for the raise they deserve.
- Starting at the end of this month, 80,000 unemployed workers each week will lose their unemployment benefits.

Yet President Bush insists on ending the right to overtime pay for 8 million workers. What he's really saying is that businesses need help, not working families. Why else would he give businesses the power to force employees to work longer hours for lower pay.

Especially in hard times like these, overtime is exactly the incentive we need for job creation, because it encourages employers to hire more workers, instead of requiring current employees to work longer hours. We need a job creation policy, not a job destruction policy.

Cutbacks in overtime pay are a nightmare that no workers should have to bear. That pay now makes up a quarter of workers' total pay. The Administration's policy will mean an average pay cut of one hundred and sixty-one dollars a week for each worker – one hundred and sixty-one dollars. That's an outrage. Hard-working Americans deserve a pay raise, not a pay cut, and it's wrong for the Administration to try to force a pay cut on them.

The overtime pay requirement in the Fair Labor Standards Act has been a fundamental right of American workers for more than half a century. That basic law was enacted in the 1930's to create the 40-hour work week. It says workers have to be paid a higher wage for extra hours on the job.

We know that employees across America are already struggling hard to balance their family needs and their work responsibilities. Requiring them to work longer hours for less pay will impose an even heavier burden on them in their daily struggle.

Congress cannot stay silent while more and more Americans lose their jobs, their livelihoods, their homes, their dignity, their hope. In the year ahead, starting on January 20<sup>th</sup>, we resume these

all-important battles to restore jobs, provide fair unemployment benefits, and raise the minimum wage. And we will do all we can to preserve the overtime protections on which so many families depend.